

AMRITA VIDYALAYAM

AMRITA PRE BOARD EXAMINATION 2019 - 20

Class : XII

Marks : 80

Time : 3 hrs

BUSINESS STUDIES

FOUNDATIONS OF BUSINESS AND CORPORATE ORGANISATIONS

FINANCE AND TRADE

GENERAL INSTRUCTIONS:

1. All questions are compulsory.
2. Questions 1-20 carry 1 mark each and may be answered in one word or in a sentence.
3. Questions 21-25 carry 3 marks each and may be answered in 50-75 words.
4. Questions 26-28 carry 4 marks each and may be answered in 100 words.
5. Questions 29-31 carry 5 marks each and may be answered in about 150 words.
6. Questions 32-34 carry 6 marks each and may be answered in 200 words.

SECTION - A

1. Name the principle of Fayol which suggests that communication from top to bottom should follow the official lines of command.
2. To measure the level of knowledge and proficiency in the area of profession ____ test is conducted.
3. Growth of the organization is the _____ objective of management.
4. Who is the king of market?
5. 'Interest at a fixed rate shall be charged if debt is not recovered within one month.' This statement shows which component of planning?
(Budget, Rules, Policy)
6. Primary objective of finance management.
(Profit maximization, Wealth maximization, Maintenance of liquidity)
7. Upto how much amount a settlement is done through national level commissions?
8. Which of the following statements are true about informal organization?
(i) It arises spontaneously.
(ii) It reflects individual and group goals.
(iii) It tends to be permanent and stable.
(iv) It tends to be small and manageable
(v) It's basic purpose is to improve human relations.
a) i, ii, iii, v b) i, ii, iv, v c) ii, iii, iv, v
9. Who is said to be the Father of Administrative Management?
10. The settlement cycle in NSE is _____.
a) T + 5 b) T + 3 c) T + 2
11. Life expectancy is one of the key elements that influences _____.
(Legal environment, Social environment, Economic environment)
12. Financial instruments with a maturity period of less than one year are traded in the _____.
(money market, stock exchange, capital market)
13. Systematic dispersal of authority in all departments and all levels of management is called _____.
14. Name the process of guiding the efforts of employees and other resources to accomplish the desired objectives.
15. What are the four P's involved in marketing mix?
16. Which of the following is an example for the single use plan?
(policy, procedure, budget)
17. The decision related to distribution of profit as dividend to equity shareholders or retain profits as reserves for investment is called _____.

18. National Commission has _____ members in addition to the Chairman.
(2, 4, 3)
19. Number of subordinates under a manager is called _____.
20. Which statement is true with reference to fixed capital?
(Invested up to 5 years in business, Ratio of liquidity is less, Investment cannot be withdrawn easily)

SECTION - B

21. A Ltd was operating its business in Malaysia. The company started exporting its products to India when the Prime Minister announced relaxation of import duties on electronic items. The company appointed retailers in India who had direct online links with the suppliers to replenish stocks when needed. Identify and explain the dimensions of business environment discussed in the above case.
22. Name and state the process that is used by a producer when he wants to market his products by a name other than its generic name. Also state any two terms that are related to the process.

OR

What are the characteristics of a good brand?

23. 'Planning is certainly important as it tells us where to go, it provides direction and reduces the risk of uncertainty by preparing forecasts'. This statement enumerates some of the points highlighting the importance of planning. State any 3 points of importance of planning mentioned in the statement.
24. Describe the following rights of a consumer.
a) Right to safety b) Right to choose c) Right to be heard
25. A Ltd is a large company engaged in assembling of air conditioners. Recently the company had conducted the 'Time and motion study' and concluded that on an average a worker can assemble ten air conditioners a day. The target volume of the company in a day is assembling of 1000 units of air conditioners. The company is providing attractive allowances to reduce labour turnover and absenteeism. All the workers are happy. Even then the assembling of air conditioners per day is 800 units only. To find out the reason the company compared actual performance of each worker and observed through CCTV that some of the workers were busy in gossiping.
a) Identify the function of management discussed above.
b) State first 3 steps discussed in the above para.

SECTION - C

26. Explain any four factors which affect the dividend decision of a company.

OR

Explain any four factors which affect the capital structure of a company.

27. Attracted by the 'Make in India Scheme' of government, RR Autos, a German based company, started a car manufacturing unit in Tamil Nadu. It requires candidates for different positions. What external sources are available to them to fill up different posts?
28. Subhash services is looking to hire 200 people in the month of January 2017. The HR department is asked to achieve this target with the help of operations department.
By the end of January 2017, the target could not be achieved. For this HR department is blaming operation manager and operation manager is blaming HR department. What is lacking between them? Explain its advantage.

SECTION - D

29. You are a toothpaste manufacturer and you have introduced a new brand of toothpaste in the market. How will you determine the price of this product? Explain any five.
30. Mr. X a manager of Y Ltd traces out the needs of employees in the organization which are as follows.
a) Security in old age, state of illness. b) Dignity, self-respect.
c) Better clothing and shelter. d) Economic security.
e) Self-fulfillment. f) Love and affection, friendship.

Arrange the needs under the framework of Maslow's theory. Prepare a chart based on it.

31. Explain the nature of principles of management.

OR

Explain the principles of scientific management.

SECTION - E

32. 'SEBI is the watchdog of the securities market.' Do you agree? Give reasons in support of your answer.

OR

What do you mean by financial market? Explain its functions.

33. Shyam Industries is a company dealing in office furniture. The company chose to diversify its operations to improve its growth potential and increase market share. As the project was important many alternatives were generated for the purpose and were thoroughly discussed amongst the members of the organization. After evaluating the various alternatives Sravan, the MD of the company, decided that they should add 'Home interiors and Furnishings' as a new line of business activity.

a) Name the framework, which the diversified organization should adopt, to enable it to cope with the emerging complexity? Give reasons in support of your answer.

b) State the limitations of this framework.

34. 'Human beings cannot be motivated only through monetary incentives. Non-monetary incentives are also necessary to motivate them'. Explain.